



STATE OF TENNESSEE
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Investor Update

Rating Changes and Affirmations

Fitch downgraded the General Obligation Debt of the State of Tennessee from AAA to AA effective August 9, 2001.

Moody's Investors Service downgraded the General Obligation Debt of the State of Tennessee from Aa1 to Aa2 effective August 10, 2001. The outlook was revised to stable.

Moody's Investors Service affirmed the rating of the Tennessee Local Development Authority at A2 on August 13, 2001.

Moody's Investors Service affirmed the rating of the Tennessee State School Bond Authority at Aa2 on August 13, 2001. However, they added a negative outlook to the rating to provide investors information that in the event that either (1) the State makes further cuts to the higher education program or (2) the State's revenues fall short and are insufficient to finance the higher education program at the current level, the rating may be downgraded.

Further Updates

If you did not receive this notice by email and would like to have your name placed on our Investor Update mailing list, or should you have additional questions, please email or mail your request to:

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